

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

OCTOBER 1, 1999

IN RE:

**PETITION OF TELEPHONE ELECTRONICS
CORPORATION, (CROCKETT, PEOPLES, AND
WEST TENNESSEE TELEPHONE COMPANIES)
FOR APPROVAL OF AN INTRALATA TOLL
DIALING PARITY PLAN**

DOCKET NO. 99-00294

**ORDER APPROVING THE INTRALATA TOLL DIALING PARITY
IMPLEMENTATION PLAN**

This matter came before the Tennessee Regulatory Authority (the "Authority") on August 24, 1999, at a regularly scheduled Authority Conference, to consider the Petition of Telephone Electronics Corporation ("Crockett, Peoples, and West Tennessee" Telephone Companies) for approval of their IntraLATA Toll Dialing Parity Implementation Plans ("the Plans").

Section 251(b) of the Telecommunications Act of 1996 ("the Act") requires all Local Exchange Carriers to provide dialing parity.¹ Specifically, section 251 (b)(3) of the Act states, "Dialing Parity - The duty to provide dialing parity to competing providers of telephone exchange service and telephone toll service, and the duty to permit all such providers to have nondiscriminatory access to telephone numbers, operator services, directory assistance, and directory listing, with no unreasonable dialing delays." The Act further states in sections 251(f)(1) and 251(f)(2) that a rural telephone company may file with the state commission for exemption, suspension or modification of the dialing parity requirements.

¹ Telecommunications Act of 1996, Pub. L. No. 104-104, (February 8, 1996), codified at 47 U.S.C. §§151 *et seq.*

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The Federal Communications Commission ("FCC") initiated a rulemaking on dialing parity on April 19, 1996 and issued its findings in FCC 96-333 Order (Docket 96-98) adopted on August 8, 1996. This Order sets forth the criteria and guidelines for filing of a plan by all carriers. Subsequent to this Order the United States Court of Appeals for the Eighth Circuit vacated the FCC's rules, as they were applicable to intrastate services.² On January 25, 1999, the United States Supreme Court reversed certain portions of the Eighth Circuit's decision including that part of the decision which had stricken the FCC's rules pertaining to dialing parity.³

The FCC's original date for implementation, February 8, 1999, was reinstated by the Supreme Court's decision of January 25, 1999. As a result of this reinstatement, the FCC released FCC 99-54 Order (Docket 96-98) on March 23, 1999, which set forth revised implementation dates for dialing parity. This Order establishes April 22, 1999 as the new date by which all Local Exchange Carriers must file an IntraLATA Toll Dialing Parity Plan with State Commissions for approval. The Plan must be implemented within thirty (30) days after approval from the State Commission. Additionally, the Order states that the Plan must be filed with the Common Carrier Bureau of the FCC if the State Commission has not acted on the Plan by June 22, 1999.

Crockett, Peoples, and West Tennessee Telephone Companies are incumbent local exchange carriers that provide telecommunications services in Tennessee. Pursuant to 47 C.F.R. § 51.213, these companies are required to file a plan with the Authority that provides for implementing intraLATA toll dialing parity throughout the carriers exchanges in Tennessee.⁴ These plans must allow customers to

² FCC v. Iowa Utils. Bd., United States Court of Appeals for the Eighth Circuit, July 18, 1997.

³ AT&T v. Iowa Utils. Bd., 119 S.Ct. 721 (1999).

⁴ Under 47 C.F.R. §51.213, the Federal Communication Commission requires that an IntraLATA toll dialing parity plan contain: (1) a proposal that explains how the local exchange carrier will offer intraLATA toll dialing parity for each exchange that such carrier operates in the state, in accordance with the provisions of this section, and a proposed time schedule for implementation; and (2) a proposal for timely notification to its subscribers and the methods it proposes to use to enable each subscriber to affirmatively select an intraLATA toll service provider. The state commission must approve any such plan prior to implementation.

pre-subscribe to different carriers for local service, intraLATA toll service and interLATA toll service.⁵

Crockett, Peoples, and West Tennessee Telephone Companies filed their IntraLATA Toll Dialing Parity Implementation Plans on April 22, 1999. Additionally, Crockett, Peoples, and West Tennessee Telephone Companies filed for a modification of the implementation date until September 22, 1999. The request to delay the implementation of IntraLATA Toll Dialing Parity was due to the fact that necessary modifications to the company's carrier access billing, rating and other billing systems were not complete. The Directors considered the Request for Modification of Crockett, Peoples, and West Tennessee Telephone Companies at the June 8, 1999 Authority Conference and granted the requested waiver with the stipulation that Crockett, Peoples, and West Tennessee Telephone Companies refile the Plans sixty (60) days prior to the effective date of September 22, 1999. Crockett, Peoples, and West Tennessee Telephone Companies refiled the Plans on July 20, 1999 as directed. The Plans were amended on August 2, 1999. The amended Plans are attached hereto as Exhibits A, B, and C and are fully incorporated herein by this reference.

The Directors considered Crockett, Peoples and West Tennessee's Plans at the August 24, 1999 Authority Conference and determined that the Plans, as amended, satisfy the requirements set forth by the FCC in Docket 96-98, FCC Order 96-333 and FCC Order 99-54.⁶ The Plans as amended provide for a method that allows customers to select alternate providers of telephone toll service; a method which allows customers to choose different carriers for interLATA and intraLATA service; and customer notification/education procedures. Therefore, the Directors unanimously voted to approve the Toll Dialing Parity Plans as amended for Crockett, Peoples and West Tennessee Telephone Companies with the requirement that Crockett, Peoples and West Tennessee Telephone

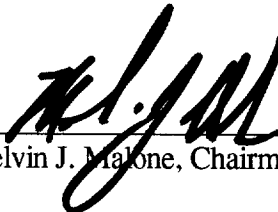
⁵ Pre-subscription allows the customer to place a call without dialing an access code.

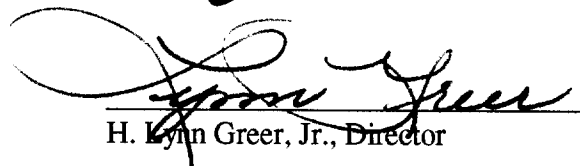
⁶ FCC Order 96-333, released August 8, 1996, sets forth the requirements for implementation of IntraLATA Toll Dialing Parity. FCC Order 99-54, released March 23, 1999, extends to June 22, 1999 the deadline for state commissions to act on a LEC's IntraLATA Toll Dialing Parity Plan.

Companies comply with all applicable sections of FCC Order 96-333 upon implementation of intraLATA equal access.

IT IS THEREFORE ORDERED THAT:


1. The amended Plans of Crockett, Peoples and West Tennessee Telephone Companies for IntraLATA Toll Dialing Parity Implementation, copies of which are attached as Exhibits A, B, and C, are hereby approved and incorporated in this Order as if fully rewritten herein;
2. Crockett, Peoples and West Tennessee Telephone Companies shall file amended tariffs reflecting the approved intraLATA toll dialing parity implementation incremental cost recovery rate element and PIC change charge;
3. Crockett, Peoples and West Tennessee Telephone Companies shall comply with all applicable sections of FCC Order 96-333 upon implementing IntraLATA equal access; and
4. Any party aggrieved by the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within ten (10) days from and after the date of this Order.


Melvin J. Malone, Chairman


H. Lynn Greer, Jr., Director


Sara Kyle, Director

ATTEST:


K. David Waddell, Executive Secretary



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CROCKETT TELEPHONE
EXECUTIVE SECRETARY

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99 JUL 23 AM 8 21
CROCKETT TELEPHONE
EXECUTIVE SECRETARY

July 29, 1999

Mr. K. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

**IN RE: Crockett Telephone Company, Inc.; Peoples Telephone Company;
West Tennessee Telephone Company, Inc. (comprising the "TEC Companies")
IntraLATA Dialing Parity Implementation Plan
Docket 99-00294**

Dear Mr. Waddell:

Enclosed please find an original and thirteen (13) copies of the IntraLATA Toll Dialing Parity Implementation Plan for Crockett Telephone Company Inc.; Peoples Telephone Company; and West Tennessee Telephone Company, Inc. (comprising the "TEC Companies").

Also enclosed is an original and thirteen (13) copies of the Dialing Parity Cost Recovery Rate Element cost study data. This revised data is being submitted as required under the above mentioned project.

Thank you for bringing this to the attention of the Tennessee Regulatory Authority for approval.

Sincerely,

Lera Roark
Vice President

LOR/sp

Enclosures: IntraLATA Toll Dialing Parity Implementation Plan
Dialing Parity Cost Recovery Rate Element Cost Study

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318 322 0015

INTRALATA TOLL DIALING PARITY PLAN CROCKETT TELEPHONE COMPANY, INC.

The following *IntraLATA Toll Dialing Parity Plan* has been developed consistent with provisions of the Federal Communications Commission's (FCC's) Second Report and Order, FCC 96-333, adopted August 8, 1996. This plan is being submitted to the Tennessee Regulatory Authority (TRA) for its information and approval. Crockett Telephone Company, Inc., Alamo Exchange 901-696, Maury City Exchange 901-656 and Friendship Exchange 901-677, will associate with LATA 468 for the purposes of providing toll dialing parity as it currently does for its provision of interLATA equal access.

1. **Toll Dialing Parity Implementation Schedule**

Pending TRA approval as outlined above, Crockett Telephone Company, Inc. (hereinafter referred to as "Company") will implement intraLATA 1+ equal access, as set forth below in Section 6, beginning 30 days after the TRA approval date. (Implementation start date)

2. **IntraLATA Presubscription Methodology**

The *Full 2-PIC* (Presubscribed Interexchange Carrier) option shall be the methodology used to provide customers with a full range of choices in selecting their intraLATA 1+/0+ toll provider. Under this option, the customer may select a toll/interexchange carrier for its intrastate intraLATA calling and a separate toll/interexchange carrier for its interLATA calls.

3. **Calls Subject to IntraLATA Toll Dialing Parity**

Intrastate intraLATA 1+ and 0+ toll calls originating in an exchange shall be subject to the intraLATA toll dialing parity provisions.

4. **Customers Eligible For IntraLATA Toll Dialing Parity**

All end user customers subscribing to the Company's local exchange service offerings shall be eligible for intraLATA dialing parity.

5. **IntraLATA Toll Carrier At Outset**

Until a customer affirmatively chooses another intrastate intraLATA toll/interexchange carrier, intraLATA toll calls, which are not prefaced with 10XXX/101XXXX, shall be carried by the Company's designated toll/interexchange carrier. There will be no balloting of customers.

6. **Implementation Schedule**

The Company will implement toll dialing parity, subject to TRA's approval of this intraLATA Toll Dialing Parity Plan, on or before September 22, 1999,¹ as outlined below:

The steps are as follows:

- a. Provide notification, a minimum of two months prior to the conversion to intraLATA 1+ toll dialing parity, to all those toll/interexchange carriers which presently offer Feature Group D service in the applicable end offices.

¹ The September 22, 1999, date noted herein was approved by the Tennessee Regulatory Authority ("TRA") on June 8, 1999, under Docket 99-00294 - "Petition for Modification".

- b. Notify subscribers of the availability of intraLATA 1+ toll dialing parity not less than thirty (30) days prior to conversion. (Implementation end date) The generic customer notification is attached.
- c. Initially assign all existing subscribers to the designated toll/interexchange carrier, subject to receipt of a request to the contrary from a customer, or a "Letter of Agency" (LOA) from an authorized toll/interexchange carrier. An IXC may not forward LOAs to the Company earlier than thirty (30) days prior to the customer conversion date. Letter of Agency contacts shall only be honored from those toll/interexchange carriers first executing an LOA Agreement, which, among other things, acknowledges the toll/interexchange carrier's obligation to follow federally prescribed rules (including, without limitation, "anti-slamming" rules, as described in Section 9 below).
- d. Customers that are provided local service subsequent to the implementation of intraLATA 1+ toll dialing parity, will be able to select an intraLATA toll/interexchange carrier using the same procedure currently followed to select an interLATA interexchange carrier. If the customer does not select an intraLATA carrier, the customer will be assigned a "NO" PIC status, until such time as the customer makes a selection for an IntraLATA carrier.

7. **Cost Recovery**

Dialing parity costs include costs related to customer education, incremental presubscription costs—including the costs incurred during the 90 days immediately following the date of implementation, in which customers may make one PIC change without charge—and the initial incremental expenditures for hardware and software related directly to the provision of dialing parity, which would not be required to upgrade the switching capabilities of the office involved absent the provision of dialing parity. Additionally, related administrative costs will be included.

The Company shall file, a discrete "Dialing Parity Cost Recovery" (DPCR) tariff rate element with the TRA, which reflects the estimated costs as outlined above, a proposed cost recovery period of one year (consistent with FCC DA-1541, adopted September 28, 1988, and applicable to all NECA pool members), and estimated demand units based upon the total 1998 calendar year originating Intrastate access minutes. The DPCR rate element shall be assessed upon all intrastate interexchange carriers. Cost and demand data in support of the rate element will be submitted to the TRA at the time of the filing. A true up of cost recovery is contemplated at the end of the one-year period, and any recovery deficiency or overage will be adjusted in a bill to toll providers in proportion to their relative share of cost recovery for the period.

8. **Charges for Selection/Assignment of Carrier & Unauthorized PIC Change**

The Company shall not impose any charge on the customer for the customer's initial selection of a carrier other than the designated toll/interexchange carrier, to carry the customer's intraLATA toll calls. This shall also apply in the 90-day period immediately following the implementation date. Charges will apply after the customer's initial selection or after the 90-day period immediately following the implementation end date.

Charges imposed upon a customer for changing the customer's Presubscribed carrier for its intraLATA toll calls, and charges applicable to toll providers related to Unauthorized PIC Changes, are to be those set forth in the Company's tariff on file with the TRA, and in effect at the time. (It is contemplated that such PIC charge will be \$5.00 for the intraLATA PIC change, and an Unauthorized PIC Change charge of \$35.65, applicable to both residence and business lines, as provided for in NECA Tariff FCC No. 5.) It should be understood that the Unauthorized PIC Change Charge is intended as an assessment to toll providers, not to customers.

9. **Anti-Slamming**

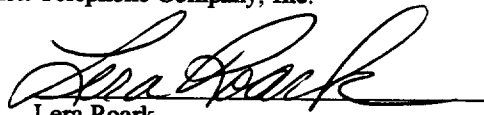
IntraLATA toll dialing parity shall be subject to the same anti-slamming and dispute resolution procedures that the FCC has set forth for interLATA presubscription. IntraLATA toll dialing parity shall also be subject to the provisions of Section 258 of the Federal Communications Act of 1934, as provided for by the Telecommunications Act of 1996, and any regulations adopted by the FCC or the TRA addressing unauthorized changes in customer carrier selections.

10. Crockett Telephone Company, Inc. will comply with all rules of the FCC and TRA for Dialing Parity.

Respectfully submitted,

Crockett Telephone Company, Inc.

By:



Lera Roark

Crockett Telephone Company, Inc.

1309 Louisville Avenue

Monroe LA 71201

Tel. (318) 322-0015

Fax (318) 323-2164

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REGULATORY AUTH.

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Dialing Parity Cost Recovery Rate

Company Name: **Crockett Telephone Co., Inc.**

OFFICE OF THE
EXECUTIVE SECRETARY

Rate

Development

1. EWSD Switch Costs	\$20,000
2. Estimated Expenses of Conversion*	\$21,924
3. Total Dialing Parity Costs (1 + 2)	\$41,924
4. Originating Intrastate Access Minutes	6,752,542
5. Dialing Parity Cost Recovery Rate (3 / 4)	\$0.0062

* Includes administrative costs such as carrier notification, customer notification, postage and mailing, and database changes. Also included are costs associated with response to customer questions and central office programming by line.

IMPORTANT NOTICE ABOUT INTRALATA TOLL SERVICE

On September 22, 1999, you will be able to choose your provider of "1+" local toll service. Currently, intraLATA toll calls dialed as "1+ten digit" calls are handled by BellSouth. This change allows you to remain with BellSouth or select a different long distance carrier for intraLATA toll calls.

If you would like to select a different carrier for your "1+" intraLATA toll service, you should contact that carrier. No action is necessary to keep BellSouth as your provider for intraLATA toll calls.

As approved by the Tennessee Regulatory Authority, from September 22, 1999, until December 21, 1999, you will be able to change your local toll carrier ONE time without charge. There will be a charge for each subsequent change you make in intraLATA toll carriers.



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July 29, 1999

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**IN RE: Crockett Telephone Company, Inc.; Peoples Telephone Company;
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IntraLATA Dialing Parity Implementation Plan
Docket 99-00294**

Dear Mr. Waddell:

Enclosed please find an original and thirteen (13) copies of the IntraLATA Toll Dialing Parity Implementation Plan for Crockett Telephone Company Inc.; Peoples Telephone Company; and West Tennessee Telephone Company, Inc. (comprising the "TEC Companies").

Also enclosed is an original and thirteen (13) copies of the Dialing Parity Cost Recovery Rate Element cost study data. This revised data is being submitted as required under the above mentioned project.

Thank you for bringing this to the attention of the Tennessee Regulatory Authority for approval.

Sincerely,

Lera Roark
Vice President

LOR/sp

Enclosures: IntraLATA Toll Dialing Parity Implementation Plan
Dialing Parity Cost Recovery Rate Element Cost Study

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**INTRALATA TOLL DIALING PARITY PLAN
PEOPLES TELEPHONE COMPANY**

The following *IntraLATA Toll Dialing Parity Plan* has been developed consistent with provisions of the Federal Communications Commission's (FCC's) Second Report and Order, FCC 96-333, adopted August 8, 1996. This plan is being submitted to the Tennessee Regulatory Authority (TRA) for its information and approval. Peoples Telephone Company, Erin exchange 931-289 and Tennessee Ridge exchange 931-721 will associate with LATA 470; and Henry exchange 901-243 will associate with LATA 468 for the purposes of providing toll dialing parity as it currently does for its provision of interLATA equal access.

1. **Toll Dialing Parity Implementation Schedule**

Pending TRA approval as outlined above, Peoples Telephone Company, (hereinafter referred to as "Company") will implement intraLATA 1+ equal access, as set forth below in Section 6, beginning 30 days after the TRA approval date. (Implementation start date)

2. **IntraLATA Presubscription Methodology**

The *Full 2-PIC* (Presubscribed Interexchange Carrier) option shall be the methodology used to provide customers with a full range of choices in selecting their intraLATA 1+/0+ toll provider. Under this option, the customer may select a toll/interexchange carrier for its intrastate intraLATA calling and a separate toll/interexchange carrier for its interLATA calls.

3. **Calls Subject to IntraLATA Toll Dialing Parity**

Intrastate intraLATA 1+ and 0+ toll calls originating in an exchange shall be subject to the intraLATA toll dialing parity provisions.

4. **Customers Eligible For IntraLATA Toll Dialing Parity**

All end user customers subscribing to the Company's local exchange service offerings shall be eligible for intraLATA dialing parity.

5. **IntraLATA Toll Carrier At Outset**

Until a customer affirmatively chooses another intrastate intraLATA toll/interexchange carrier, intraLATA toll calls, which are not prefaced with 10XXX/101XXXX, shall be carried by the Company's designated toll/interexchange carrier. There will be no balloting of customers.

6. **Implementation Schedule**

The Company will implement toll dialing parity, subject to TRA's approval of this intraLATA Toll Dialing Parity Plan, on or before September 22, 1999,¹ as outlined below:

The steps are as follows:

- a. Provide notification, a minimum of two months prior to the conversion to intraLATA 1+ toll dialing parity, to all those toll/interexchange carriers which presently offer Feature Group D service in the applicable end offices.
- b. Notify subscribers of the availability of intraLATA 1+ toll dialing parity not less than thirty (30) days prior to conversion. (Implementation end date) The generic customer notification is attached.

¹ The September 22, 1999, date noted herein was approved by the Tennessee Regulatory Authority ("TRA") on June 8, 1999, under Docket 99-00294 - "Petition for Modification".

- c. Initially assign all existing subscribers to the designated toll/interexchange carrier, subject to receipt of a request to the contrary from a customer, or a "Letter of Agency" (LOA) from an authorized toll/interexchange carrier. An IXC may not forward LOAs to the Company earlier than thirty (30) days prior to the customer conversion date. Letter of Agency contacts shall only be honored from those toll/interexchange carriers first executing an LOA Agreement, which, among other things, acknowledges the toll/interexchange carrier's obligation to follow federally prescribed rules (including, without limitation, "anti-slamming" rules, as described in Section 9 below).
- d. Customers that are provided local service subsequent to the implementation of intraLATA 1+ toll dialing parity, will be able to select an intraLATA toll/interexchange carrier using the same procedure currently followed to select an interLATA interexchange carrier. If the customer does not select an intraLATA carrier, the customer will be assigned a "NO" PIC status, until such time as the customer makes a selection for an IntraLATA carrier.

7. **Cost Recovery**

Dialing parity costs include costs related to customer education, incremental presubscription costs—including the costs incurred during the 90 days immediately following the date of implementation, in which customers may make one PIC change without charge—and the initial incremental expenditures for hardware and software related directly to the provision of dialing parity, which would not be required to upgrade the switching capabilities of the office involved absent the provision of dialing parity. Additionally, related administrative costs will be included.

The Company shall file, a discrete "Dialing Parity Cost Recovery" (DPCR) tariff rate element with the TRA, which reflects the estimated costs as outlined above, a proposed cost recovery period of one year (consistent with FCC DA-1541, adopted September 28, 1988, and applicable to all NECA pool members), and estimated demand units based upon the total 1998 calendar year originating Intrastate access minutes. The DPCR rate element shall be assessed upon all intrastate interexchange carriers. Cost and demand data in support of the rate element will be submitted to the TRA at the time of the filing. A true up of cost recovery is contemplated at the end of the one-year period, and any recovery deficiency or overage will be adjusted in a bill to toll providers in proportion to their relative share of cost recovery for the period.

8. **Charges for Selection/Assignment of Carrier & Unauthorized PIC Change**

The Company shall not impose any charge on the customer for the customer's initial selection of a carrier other than the designated toll/interexchange carrier, to carry the customer's intraLATA toll calls. This shall also apply in the 90-day period immediately following the implementation date. Charges will apply after the customer's initial selection or after the 90-day period immediately following the implementation end date.

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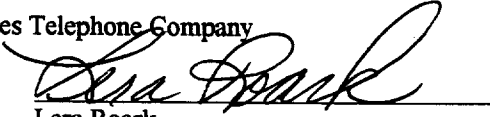
IntraLATA toll dialing parity shall be subject to the same anti-slamming and dispute resolution procedures that the FCC has set forth for interLATA presubscription. IntraLATA toll dialing parity shall also be subject to the provisions of Section 258 of the Federal Communications Act of 1934, as provided for by the Telecommunications Act of 1996, and any regulations adopted by the FCC or the TRA addressing unauthorized changes in customer carrier selections.

10. Peoples Telephone Company will comply with all rules of the FCC and TRA for Dialing Parity.

Respectfully submitted,

Peoples Telephone Company

By:


Lera Roark
Peoples Telephone Company
1309 Louisville Avenue
Monroe LA 71201
Tel. (318) 322-0015
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Dialing Parity Cost Recovery Rate

Company Name: Peoples Telephone Co., Inc.

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OFFICE OF THE
EXECUTIVE SECRETARY
~~Rate Development~~

1. EWSD Switch Costs	\$20,000
2. Estimated Expenses of Conversion*	\$23,296
3. Total Dialing Parity Costs (1 + 2)	\$43,296
4. Originating Intrastate Access Minutes	7,080,716
5. Dialing Parity Cost Recovery Rate (3 / 4)	\$0.0061

* Includes administrative costs such as carrier notification, customer notification, postage and mailing, and database changes. Also included are costs associated with response to customer questions and central office programming by line.

IMPORTANT NOTICE ABOUT INTRALATA TOLL SERVICE

On September 22, 1999, you will be able to choose your provider of "1+" local toll service. Currently, intraLATA toll calls dialed as "1+ten digit" calls are handled by BellSouth. This change allows you to remain with BellSouth or select a different long distance carrier for intraLATA toll calls.

If you would like to select a different carrier for your "1+" intraLATA toll service, you should contact that carrier. No action is necessary to keep BellSouth as your provider for intraLATA toll calls.

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**IN RE: Crockett Telephone Company, Inc.; Peoples Telephone Company;
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Sincerely,

Lera Roark
Vice President

LOR/sp

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**INTRALATA TOLL DIALING PARITY PLAN
WEST TENNESSEE TELEPHONE COMPANY, INC.**

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1. **Toll Dialing Parity Implementation Schedule**

Pending TRA approval as outlined above, West Tennessee Telephone Company, Inc., (hereinafter referred to as "Company") will implement intraLATA 1+ equal access, as set forth below in Section 6, beginning 30 days after the TRA approval date. (Implementation start date)

2. **IntraLATA Presubscription Methodology**

The *Full 2-PIC* (Presubscribed Interexchange Carrier) option shall be the methodology used to provide customers with a full range of choices in selecting their intraLATA 1+/0+ toll provider. Under this option, the customer may select a toll/interexchange carrier for its intrastate intraLATA calling and a separate toll/interexchange carrier for its interLATA calls.

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4. **Customers Eligible For IntraLATA Toll Dialing Parity**

All end user customers subscribing to the Company's local exchange service offerings shall be eligible for intraLATA dialing parity.

5. **IntraLATA Toll Carrier At Outset**

Until a customer affirmatively chooses another intrastate intraLATA toll/interexchange carrier, intraLATA toll calls, which are not prefaced with 10XXX/101XXXX, shall be carried by the Company's designated toll/interexchange carrier. There will be no balloting of customers.

6. **Implementation Schedule**

The Company will implement toll dialing parity, subject to TRA's approval of this intraLATA Toll Dialing Parity Plan, on or before September 22, 1999,¹ as outlined below:

The steps are as follows:

- a. Provide notification, a minimum of two months prior to the conversion to intraLATA 1+ toll dialing parity, to all those toll/interexchange carriers which presently offer Feature Group D service in the applicable end offices.

¹ The September 22, 1999, date noted herein was approved by the Tennessee Regulatory Authority ("TRA") on June 8, 1999, under Docket 99-00294 - "Petition for Modification".

- b. Notify subscribers of the availability of intraLATA 1+ toll dialing parity not less than thirty (30) days prior to conversion. (Implementation end date) The generic customer notification is attached.
- c. Initially assign all existing subscribers to the designated toll/interexchange carrier, subject to receipt of a request to the contrary from a customer, or a "Letter of Agency" (LOA) from an authorized toll/interexchange carrier. An IXC may not forward LOAs to the Company earlier than thirty (30) days prior to the customer conversion date. Letter of Agency contacts shall only be honored from those toll/interexchange carriers first executing an LOA Agreement, which, among other things, acknowledges the toll/interexchange carrier's obligation to follow federally prescribed rules (including, without limitation, "anti-slamming" rules, as described in Section 9 below).
- d. Customers that are provided local service subsequent to the implementation of intraLATA 1+ toll dialing parity, will be able to select an intraLATA toll/interexchange carrier using the same procedure currently followed to select an interLATA interexchange carrier. If the customer does not select an intraLATA carrier, the customer will be assigned a "NO" PIC status, until such time as the customer makes a selection for an IntraLATA carrier.

7. **Cost Recovery**

Dialing parity costs include costs related to customer education, incremental presubscription costs—including the costs incurred during the 90 days immediately following the date of implementation, in which customers may make one PIC change without charge—and the initial incremental expenditures for hardware and software related directly to the provision of dialing parity, which would not be required to upgrade the switching capabilities of the office involved absent the provision of dialing parity. Additionally, related administrative costs will be included.

The Company shall file, a discrete "Dialing Parity Cost Recovery" (DPCR) tariff rate element with the TRA, which reflects the estimated costs as outlined above, a proposed cost recovery period of one year (consistent with FCC DA-1541, adopted September 28, 1988, and applicable to all NECA pool members), and estimated demand units based upon the total 1998 calendar year originating Intrastate access minutes. The DPCR rate element shall be assessed upon all intrastate interexchange carriers. Cost and demand data in support of the rate element will be submitted to the TRA at the time of the filing. A true up of cost recovery is contemplated at the end of the one-year period, and any recovery deficiency or overage will be adjusted in a bill to toll providers in proportion to their relative share of cost recovery for the period.

8. **Charges for Selection/Assignment of Carrier & Unauthorized PIC Change**

The Company shall not impose any charge on the customer for the customer's **initial** selection of a carrier other than the designated toll/interexchange carrier, to carry the customer's intraLATA toll calls. This shall also apply in the 90-day period immediately following the implementation date. Charges will apply after the customer's initial selection or after the 90-day period immediately following the implementation end date.

Charges imposed upon a customer for changing the customer's Presubscribed carrier for its intraLATA toll calls, and charges applicable to toll providers related to Unauthorized PIC Changes, are to be those set forth in the Company's tariff on file with the TRA, and in effect at the time. (It is contemplated that such PIC charge will be \$5.00 for the intraLATA PIC change, and an Unauthorized PIC Change charge of \$35.65, applicable to both residence and business lines, as provided for in NECA Tariff FCC No. 5.) It should be understood that the Unauthorized PIC Change Charge is intended as an assessment to toll providers, not to customers.

9. **Anti-Slamming**

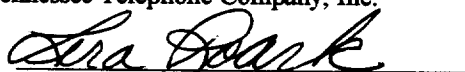
IntraLATA toll dialing parity shall be subject to the same anti-slamming and dispute resolution procedures that the FCC has set forth for interLATA presubscription. IntraLATA toll dialing parity shall also be subject to the provisions of Section 258 of the Federal Communications Act of 1934, as provided for by the Telecommunications Act of 1996, and any regulations adopted by the FCC or the TRA addressing unauthorized changes in customer carrier selections.

10. West Tennessee Telephone Company, Inc. will comply with all rules of the FCC and TRA for Dialing Parity.

Respectfully submitted,

West Tennessee Telephone Company, Inc.

By:



Lera Roark

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IMPORTANT NOTICE ABOUT INTRALATA TOLL SERVICE

On September 22, 1999, you will be able to choose your provider of "1+" local toll service. Currently, intraLATA toll calls dialed as "1+ten digit" calls are handled by BellSouth. This change allows you to remain with BellSouth or select a different long distance carrier for intraLATA toll calls.

If you would like to select a different carrier for your "1+" intraLATA toll service, you should contact that carrier. No action is necessary to keep BellSouth as your provider for intraLATA toll calls.

As approved by the Tennessee Regulatory Authority, from September 22, 1999, until December 21, 1999, you will be able to change your local toll carrier ONE time without charge. There will be a charge for each subsequent change you make in intraLATA toll carriers.

Dialing Parity Cost Recovery Rate

Company Name: West Tennessee Telephone Co., Inc.

REC'D TN
REGULATORY AUTH.

'99 AUG 2 AM 8 41

Rate
Development
OFFICE OF THE
EXECUTIVE SECRETARY

1. EWSD Switch Costs	\$20,000
2. Estimated Expenses of Conversion*	\$23,084
3. Total Dialing Parity Costs (1 + 2)	\$43,084
4. Originating Intrastate Access Minutes	5,361,697
5. Dialing Parity Cost Recovery Rate (3 / 4)	\$0.0080

* Includes administrative costs such as carrier notification, customer notification, postage and mailing, and database changes. Also included are costs associated with response to customer questions and central office programming by line.